



PLEASE REPLY TO:
LONG ISLAND OFFICE
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April 26, 2023

Re: Freedom Mortgage Corporation v Melanie Speich, et al.
Index No. 22-cv-4851
Our File No. 01-096236-F00

Dear Honorable Sir:

This firm represents the above-referenced Plaintiff. Our office has received a text Order from the Court directing our office to move for a default by May 1, 2023.

Please accept this correspondence as a status update. The borrower Melanie Speich has contacted the plaintiff to discuss loss mitigation options and this process is still ongoing. However, in addition to the ongoing loss mitigation efforts our office was advised by plaintiff on March 22, 2023, that the real property subject to this action was part of a FEMA declared disaster due to New York Severe Winter Storm and Snow.

Plaintiff, as a servicer of FHA mortgages, is bound by the regulations in the HUD Handbook which explicitly forbid proceeding on a foreclosure action during the pendency of a FEMA hold in the affected area.. An evaluation of the property does not effect the hard-hold that is in place according to the servicing guidelines outlined in the HUD Handbook. If Plaintiff were to violate the guidelines and proceed with this action while a FEMA Disaster exists, Plaintiff could be subject to fines, sanctions, or loss of servicing rights from HUD and/or for FHA mortgages. This applies to both Public and Individual Assistance declarations, and there is no vacancy exception for FHA.

Furthermore, the FEMA declaration at issue here is known as DR-4694-NY, was declared on March 15, 2023, and thus is anticipated to end in 90 days (unless extended), on or about June 15, 2023.

Due to this hold, our office is requesting additional time to submit the request for Default to ensure the disaster declaration hold has been removed.

Thank you for your anticipated cooperation. Should you require additional information, or have any questions, please contact our office.

Very truly yours,

Frenkel, Lambert, Weiss, Weisman & Gordon, LLP



Deana Cheli, Esq.

